

## 19.905

(ii) There is a reasonable expectation of obtaining offers from two or more responsible very small business concerns headquartered within the geographical area served by the designated SBA district that are competitive in terms of market prices, quality, and delivery; or

(2) In the case of an acquisition for services—

(i) The contract will be performed within the geographical area served by a designated SBA district; and

(ii) There is a reasonable expectation of obtaining offers from two or more responsible very small business concerns headquartered within the geographical area served by the designated SBA district that are competitive in terms of market prices, quality, and delivery.

(b) Contracting officers must determine the applicable designated SBA district office as defined at 19.902. The geographic areas served by the SBA Los Angeles and Santa Ana District offices will be treated as one designated SBA district for the purposes of this subpart.

(c) If no reasonable expectation exists under paragraphs (a)(1)(ii) and (a)(2)(ii) of this section, the contracting officer must document the file and proceed with the acquisition in accordance with Subpart 19.5.

(d) If the contracting officer receives only one acceptable offer from a responsible very small business concern in response to a very small business set-aside, the contracting officer should make an award to that firm. If there is no offer received from a very small business concern, the contracting officer must cancel the very small business set-aside and proceed with the acquisition in accordance with Subpart 19.5.

[64 FR 10536, Mar. 4, 1999, as amended at 64 FR 51830, Sept. 24, 1999]

### 19.905 Solicitation provision and contract clause.

Insert the clause at 52.219-5, Very Small Business Set-Aside, in solicitations and contracts if the acquisition is set aside for very small business concerns.

(a) Insert the clause at 52.219-5 with its *Alternate I*—

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(1) In construction or service contracts; or

(2) When the acquisition is for a product in a class for which the Small Business Administration has waived the nonmanufacturer rule (see 19.102(f)(4) and (5)).

(b) Insert the clause at 52.219-5 with its *Alternate II* when *Alternate I* does not apply, the acquisition is processed under simplified acquisition procedures, and the total amount of the contract does not exceed \$25,000.

[64 FR 10536, Mar. 4, 1999, as amended at 64 FR 51830, Sept. 24, 1999]

## Subpart 19.10—Small Business Competitiveness Demonstration Program

SOURCE: 54 FR 5055, Jan. 31, 1989, unless otherwise noted.

### 19.1001 General.

The Small Business Competitiveness Demonstration Program was established by the Small Business Competitiveness Demonstration Program Act of 1988, Public Law 100-656 (15 U.S.C. 644 note). The program is implemented by a joint OFPP and SBA Policy Directive and Implementation Plan, dated May 25, 1999. The program consists of two major components—

(a) Unrestricted competition in designated industry groups; and

(b) Enhanced small business participation in 10 agency targeted industry categories.

[63 FR 9057, Feb. 23, 1998, as amended at 65 FR 16276, Mar. 27, 2000; 70 FR 11742, Mar. 9, 2005]

### 19.1002 Definitions.

*Emerging small business*, as used in this subpart, means a small business concern whose size is no greater than 50 percent of the numerical size standard applicable to the North American Industry Classification System (NAICS) code assigned to a contracting opportunity.

*Emerging small business reserve amount*, for the designated groups described in 19.1005, means a threshold established by the Office of Federal Procurement Policy of—